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FM AMEMBASSY JAKARTA
TO RUEHJA/AMCONSUL SURABAYA 1885
RUEHC/SECSTATE WASHDC 5746
INFO RUEHJS/ASSOCIATION OF SOUTHEAST ASIAN NATIONS
RUEHBJ/AMEMBASSY BEIJING 4200
RUEHBY/AMEMBASSY CANBERRA 0993
RUEHUL/AMEMBASSY SEOUL 4122
RUEHKO/AMEMBASSY TOKYO 0653
RUEHHK/AMCONSUL HONG KONG 2364
RUEAIIA/CIA WASHDC
RUQODAZ/CARIBROC KEY WEST FL
RHHJJPI/PACOM IDHS HONOLULU HI
RUCPDOG/DEPT OF COMMERCE WASHDC

C O N F I D E N T I A L JAKARTA 002188

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FOR EAP/MTS; EB/TPP/IPE; EB/TPP/BTA; EB/TPP,PA
COMMERCE FOR 4430/ BERLINGUETTE
COMMERCE PASS USPTO JNESS
DEPT PASS USTR FOR DKATZ, RBAE

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TAGS: [BEXP](#) [ECIN](#) [EIND](#) [ETRD](#) [KIPR](#) [EINV](#) [ECON](#) [PGOV](#) [ID](#)
SUBJECT: AMBASSADOR MEETS WITH TRADE MINISTER PANGESTU

REF: JAKARTA 2097

Classified By: AMBASSADOR CAMERON R HUME FOR REASONS 1.4 (B) AND (D)

¶1. (C) Summary: Ambassador Hume paid a courtesy call to Government of Indonesia (GOI) Minister of Trade Mari Pangestu on August 10. The Ambassador congratulated Pangestu on the success of recent Intellectual Property Rights (IPR) enforcement efforts and observed that improvements to Indonesia's investment climate are not always recognized by the international investment community. Pangestu agreed and discussed GOI efforts to both improve the investment climate and raise Indonesia's profile as an attractive investment destination. The Ambassador advised Pangestu that the visit of Under Secretary Reuben Jeffery to Indonesia in September presents an opportunity to discuss ways to strengthen the U.S.-Indonesian bilateral economic relationship. End Summary

Progress on IPR

¶2. (SBU) The Ambassador congratulated Pangestu on the success of recent Intellectual Property Rights (IPR) enforcement efforts, including the largest seizure worldwide of counterfeit pharmaceuticals on July 23 (reftel). Pangestu responded that she is "working hard" on IPR issues and stressed the importance of not just enforcement, but also of public awareness. She mentioned a joint initiative between the GOI and the U.S. Chamber of Commerce to sponsor an IPR survey that will demonstrate the real costs of piracy to the economy, to consumers and to the tax base. Pangestu commented on the strong relations between her Ministry and representatives from both the Embassy and from the Office of the United States Trade Representative (USTR). She discussed the IPR working group that was established under the U.S.-Indonesian Trade and Investment Framework Agreement (TIFA). Pangestu mentioned that her Ministry has already begun preparing its report in anticipation of USTR's Special 301 review.

Investment Climate

13. (C) The Ambassador and Pangestu both agreed that the GOI needs to find constructive ways to communicate improvements to Indonesia's investment climate to the international investment community. Pangestu complained that while Indonesia has seen an increase in Asian investors, Americans and Europeans have largely stayed away. The Ambassador shared ideas on how the GOI could address that issue. Pangestu outlined several upcoming events designed to raise Indonesia's investment profile, including a trade mission organized by the US-ASEAN Business Council and a film festival in Bali scheduled for November. She remarked however that official travel warnings from Western countries serve to deter investors.

U/S Jeffery Visit

14. (SBU) The Ambassador informed Pangestu of the visit of Under Secretary for Economic Affairs Reuben Jeffery to Indonesia scheduled for September 10 and 11. He advised Pangestu that the visit presents an opportunity to further discuss ways to strengthen the U.S.-Indonesia bilateral economic relationship. The Ambassador also offered continued Mission engagement on economic issues.
HUME